

LETTER

FROM THE

TREASURY DEPARTMENT,

TRANSMITTING

INFORMATION IN RELATION TO A ROBBERY

OF THE

Land Office at Vandalia,

IN THE

STATE OF ILLINOIS.

JANUARY 23, 1824.

Read, and referred to the Committee upon the Public Lands.

WASHINGTON:

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1824.

1884

1st Session
1st Congress

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TREASURY DEPARTMENT,

January 22, 1824.

IN obedience to a resolution of the House of Representatives, directing the Secretary of the Treasury "to lay before the House all the information in his possession, tending to shew the circumstances connected with a recent robbery of the Land Office at Vandalia, in the state of Illinois, and the justice of releasing the Receiver of Public Moneys from his liability to Government, for the sum lost by said robbery," the Secretary of the Treasury has the honor to report:

That the Receiver of Public Moneys at Vandalia, on entering upon his duties, was instructed, in March, 1821, to deposite, monthly, or oftener, if convenient, to the credit of the Treasurer, in the Bank of Illinois, at Shawneetown, or in the Bank of Missouri, at St. Louis, whatever public moneys might be in his hands, over and above what might be necessary to defray the expenses of his office; and, accordingly, on the 28th of May, 1821, made his first deposite, of \$ 6,789 42, in the Bank of Illinois, and continued, thereafter, to make his deposites in that bank, viz: on the 30th July, 1821, of \$ 1,000; on the 20th December, 1821, of \$ 1,353 74, and on the 28th February, 1822, of \$ 500, on which latter day there remained a balance in his possession, of \$ 173 99.

That it appears to have been the practice of the Receiver, to place the money received by him, for safe keeping, in the vault of the State Bank of Illinois, at Vandalia, which was deemed to be the most secure place within his district, until he should think proper to send it to Shawneetown; and the moneys so placed by him, for safe keeping, were not counted by the cashier, nor entered to his credit on the books of the bank.

That, on the 26th of March, 1823, there were, thus, on deposite for safe keeping, in the vault of the State Bank of Illinois, at Vandalia, two bags of specie, containing, as the cashier supposes, from their bulk, from \$ 700 to \$ 1,000, and, as the Receiver represents, about \$ 1,000; which, with other moneys, amounting to about \$ 4,000, belonging to the bank, were stolen from the bank, between seven and nine o'clock in the night of that day; and, as far as the Secretary is informed, no part of this money has been recovered, nor any discovery made of the perpetrators of the robbery.

The Secretary has further to state, that, although no deposite was made in the Bank of Illinois, at Shawneetown, by the Receiver, as required by his instructions, from the 28th February, 1822, to the time of the robbery, there was sufficient reason for this omission during

the greater part of this period, in the smallness of the sum in the Receiver's hands, which, on the 31st October following, amounted to only \$109 23: but, for the omission to make such deposit during the ensuing four months, when the balance in his possession was, on the 30th November, \$809 23, on the 31st December, \$809 23, on the 31st of January, \$1,209 23, and on the 28th February, \$1,309 23, no satisfactory reason is known to the Secretary, unless it be found in the illness of the Receiver, during the last eight or ten months previous to the robbery. It is due, however, to the Receiver to state, that, in all other respects, his conduct has been that of a diligent and faithful officer.

For more detailed information, respecting the circumstances embraced by the resolution, the Secretary has the honor to refer to the papers herewith transmitted, (numbered 1 to 12.)

But, to whatever consideration the circumstances herein related, or referred to, may be entitled, the Secretary deems it his duty to observe, that they cannot be regarded, as giving to the Receiver any legal claim, or expectation, to be released from the payment of the money of which he has been robbed, inasmuch, as, by law, the safe-keeping and transmitting of the public money is a service for which the Receiver is expressly compensated, as will appear by reference to the act of 20th April, 1818, entitled "An act for changing the compensation of Receivers and Registers of the Land Offices," which provides, that the Receivers of Public Moneys "shall receive an annual salary of \$500 each, and a commission of one per centum on the moneys received, as a compensation for clerk hire, receiving, safe keeping, and transmitting, such moneys to the Treasury of the United States."

To explain the necessity of requiring the Receiver to deposit in the Bank of Illinois, at Shawneetown, it is proper to remark, that, after the failure of the Banks of Missouri, and Edwardsville, which occurred in August and September, 1821, that was the nearest specie-paying bank to the residence of the Receiver, as well as the only specie paying bank in the state.

All which is respectfully submitted.

*To the Hon. the Speaker of the
House of Representatives.*

LIST OF THE PAPERS

Accompanying the foregoing Report.

- No. 1. Letter to the Secretary of the Treasury, from the Receiver at Vandalia, dated March 31, 1823.
2. Letter to the same, from the late and present Registers of the Land Office at Vandalia, dated March 31, 1823, with a certificate annexed, from Governor Coles, dated April 5, 1823.
3. Statement addressed to the same, by the Directors of the State Bank of Illinois, dated April 1, 1823.
4. Letter to the same, from R. K. M'Laughlin, dated March 30, 1823.
5. Letter to the same, from W. H. Brown, Clerk of the District of Illinois, dated April 5, 1823.
6. Statement rendered to the Commissioner of the General Land Office, by M. B. Lowrie, dated June 5, 1823.
7. Affidavits of Messrs. Kelly, Peebles, and others, dated June 5, 1823.
8. Cash account of the Receiver at Vandalia, with the United States, for the quarter ending 31st March, 1823.
9. Letter to the Commissioner of the General Land Office, from the Receiver at Vandalia, dated August 29, 1823.
10. Letter to the same, from E. C. Berry, dated August 28, 1823.
11. Letter to the same, from R. K. M'Laughlin, dated August 29, 1823.
12. Letter to the same, from J. M. Duncan, dated August 28, 1823.

No. 1.

RECEIVER'S OFFICE,

Vandalia, March 31, 1823.

SIR: It has been my misfortune, for the last several months, to have nothing to *advise* you of, nor any thing to *account* to you for, but disasters. It again becomes my very painful duty to inform you of *one* of a very serious nature, that happened to this office a few days ago. On the evening of the 26th inst. whilst the Cashier of the State Bank of Illinois was absent a few minutes, upon business, the Banking House was entered, between the hours of 7 and half after 8 o'clock, and robbed of \$5000, *including the funds of the United States*. In this bank, by permission of the Cashier, (as you will perceive from the accompanying certificate) I deposited the public moneys for safe keeping, there being no other place in this District so secure, nor in the state, before the late Banking House was destroyed by fire. I hope no blame will be attributed to me for the loss, for it could not possibly have been prevented, unless I had been endued with more than human foresight. Every possible exertion has been made, but all to no purpose. No clue has yet been found that might lead to a detection of the robbery or robbers, notwithstanding myself and every other citizen of this town, and many of the country, have, for the last five days and nights, been making the most diligent search. Enclosed are the certificates of the late Register of this Land Office, T. Cox, Esq. and Benjamin Mills, Esq. the present one, and of a Board of Directors of the State Bank of Illinois, and also the account of the robbery, as furnished by the Cashier of said institution, taken from the Illinois Intelligencer. These statements corroborating mine made here, and communicating the facts of the case, I hope do merit, and will receive, your confidence. If any further evidence should be wanting to satisfy your mind upon the subject, I hope you will do me the great favor to direct the Examiner of the Land Office to institute an inquiry, and have the matter satisfactorily investigated, when he comes to this place. I would beg leave to suggest, that Governor Coles, who now resides here, (but who was absent at the time this robbery was committed) and with whom I presume you are acquainted, perhaps would be a proper person to undertake the investigation. There is only one thing with which I have to blame myself, and that is, not making deposits, as required by your instructions, once a month, and of that I hope I shall be relieved, for the following reasons: 1st. The small amount received would not justify me in depositing so often; the distance and great danger in transporting the money to the place of deposite, and my illness for the last eight or ten months. I am willing to abide your decision upon the

subject, but hope to avoid your censure. I am unknown to you, and have no personal claim upon your mercy, but am proud to believe that I am well known, in my own state, as a man of unimpeachable fidelity and honesty in the discharge of the duties of my office, and transactions with men.

I have the honor to be, sir,

Your obedient and humble servant,

W. L. D. EWING.

The Hon. WM. H. CRAWFORD.

No. 2.

VANDALIA, March 31, 1823.

SIR: On Wednesday evening last, during the absence of the cashier of the State Bank of Illinois, at supper, in the early part of a clear and moonlight evening, a robbery was committed upon the funds in the banking-house, which, for boldness of design, and promptness of execution, is perhaps, unparalleled in the annals of crime. The outer door of the building seems to have been entered by means of a bar of iron, and the locks which secured the money forced by the same instrument. The whole must have been the work of but few moments. No clue has been discovered, which has led to the detection of the robbers, or the discovery of the money. A particular detail of the transaction, as far as it is known, will be found in the Illinois Intelligencer, accompanying this letter. From the known integrity of the cashier of this institution, and the house being a place of much greater security than the office of the Receiver of Public Moneys at this place, he was induced to apply for permission to place the United States' funds, received by him, in the care of the bank, for safe keeping. This deposite was plundered, together with the other moneys contained in the bank, and by it, if he should be charged with impropriety in making such deposite, a worthy officer of the Government, whose punctillious fidelity in discharging the duties of his office, is well known, will be involved in great distress. To protect him from unmerited censure, and afford to the Treasury Department our unqualified testimonials of his uniform and proverbial correctness, is the object of this letter, and we trust, the attempt to secure the character of an honest and faithful officer from the imputation of blame, will not be unavailing. The small amount of Public Moneys received at this office, and the great distance to the authorized place of deposite, would, if it should be considered re-

quisite to make monthly deposits, subject him to great and unnecessary trouble and expense.

We have the honor to be,

With great respect,

Your obedient servants,

THOMAS COX,

late Register of the Land Office, Vandalia.

BENJAMIN MILLS,

Register.

Honorable WM. H. CRAWFORD,

Secretary of the Treasury.

April 5th, 1823.

The annexed letter is signed by Thomas Cox, late Register of the Land Office, at this place, and recently appointed to the Land Office at Sangamo, and B. Mills, recently appointed Register of this Land Office. These gentlemen are both well known to me, and I can vouch, that any statement made by them, is entitled to great credit. I have but little knowledge of the facts stated by them, but I have long had the pleasure of knowing W. L. D. Ewing, the Receiver of Public Moneys, and have always entertained a high opinion of his character as a man, and believe him to be a faithful officer.

EDWARD COLES.

No. 3.

At a special meeting of the Board of Directors of the State Bank of Illinois, holden April 1st, 1823.

Present,

JAMES M. DUNCAN, *President pro tem.*

CHARLES SLADE,

ROBERT BLACKWELL,

WM. LEE D. EWING, *Directors.*

Do beg leave to represent to the honorable Secretary of the Treasury, that William Lee D. Ewing, Receiver at this place, has heretofore, by permission of the Cashier, been in the habit of depositing the funds of the United States in the vaults of this institution for safe keeping, and that the funds of the aforesaid institution, were robbed from the bank, on the evening of the 26th of March, together with those of the United States. It is the unanimous opinion of this Board, that no blame whatever is attributable to the Receiver, for the loss of said funds.

JAMES M. DUNCAN, *Pres't pro tem.*

CHARLES SLADE,

ROBERT BLACKWELL,

MARTIN JONES, *Directors.*

No. 4.

VANDALIA, *March 30th*, 1823.

SIR: On the 26th inst. the State Bank of Illinois was robbed, between 7 and 9 o'clock in the evening. Col. W. L. D. Ewing, the Receiver of Public Moneys at this [place,] had his money put in the strong box for safe keeping, which he has done since he began to receive at this place. I am well satisfied that no blame can be attached to Col. Ewing, and would request that (if he is liable, under all the circumstances, which you will be informed of by the Cashier of the Bank, and others, from this place, on certifying the facts) no call should be made for the money taken, until his salary, as Receiver, should liquidate the debt. I am one of his securities, and have every confidence in him as a public officer.

It would gratify me to be informed of your determination on this subject. Should coercive measures be pursued to collect the money, it would bear hard on him and his securities. The amount stolen, you will be advised of by Col. Ewing.

Very respectfully,

Your obedient servant,

R. K. M'LAUGHLIN.

The Hon. WM. H. CRAWFORD, D. C.

No. 5.

VANDALIA, *April 5th*, 1823.

DEAR SIR: Desirous of shielding a meritorious public officer from unmerited censure, induces me to address you. The late robbery of the State Bank of Illinois will render William L. D. Ewing, Esq. Receiver of Public Moneys at this place, a defaulter to the Government, and he is fearful it may eventuate in his removal from office. Those acquainted with the circumstances of the late robbery, do not, in any degree, impute any blame to the Receiver. The citizens of this town, engaged in business, deemed the strong box of the Bank, (which has been used since the destruction of the Banking House by fire) a safer deposite for money than any other the town afforded; and the fact that he is not alone in misfortune, is evidence of the truth of the above observation.

The robbery of the Bank was one of no ordinary occurrence. It was committed between the hours of half past seven and half past nine, in a clear moonlight evening, and at a time when usually the inhabitants of the town are not confined to their houses. The absence of the Cashier of the Bank (which seldom happens after dark) was doubtless observed by the villains, and his movements closely watched.

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To the Hon. JOHN M'LEAN, *Commissioner of the General Land Office.*



I can speak for myself, and I think for the citizens of this town, and affirm, that the conduct of Col. Ewing has been that of a faithful public officer, and that his late loss is his misfortune, and not his fault.

I am, sir, respectfully,
Yours, &c.

WM. H. BROWN,
Clerk of the District of Illinois.

Hon. WM. H. CRAWFORD,
Secretary of the Treasury.

No. 7.

Fayette County, ss. Vandalia, State of Illinois:

Before me, a justice of the peace of said county, in the state of Illinois, came Mr. James Kelly, cashier of the State Bank of Illinois, at Vandalia, who, being duly sworn according to law, did depose and say, that Colonel Ewing, Receiver of Public Moneys at this place, had been, previous to the robbery of the State Bank, in the habit of depositing the moneys, as received at his office, in the same place with the funds of that institution, without having any amount placed to his credit on the books of said institution. At the time of the robbery, there were two bags of specie in the Bank, placed there by him, of the amount of which I can say little, as I never counted the money he left in the Bank, but suppose, from the bulk, there was from seven hundred to a thousand dollars therein. The robbery above mentioned was perpetrated on the evening of the twenty-sixth of March last, between the hours of seven and nine o'clock.

JAMES KELLY.

Sworn and subscribed before me,

JOHN BAUGH, J. P.

At the same time, personally appeared before me, Doctor Robert H. Peebles, who, being also duly sworn, according to law, did depose and say, That I was in company with Col. Ewing and Col. Kelly, and others, when the above mentioned robbery was perpetrated, and, that within a few minutes after we dispersed, the said robbery was discovered.

R. H. PEEBLES.

Sworn before me,

JOHN BAUGH, J. P.

We, the subscribers, being duly sworn according to law, do depose and say, that we were present, in company with Col. Wm. L. D. Ewing and Col. Kelly and Doctor Peebles, on the evening the robbery of the Bank was perpetrated, and the discovery was made within a few minutes after we dispersed.

JAMES BLACK,
R. LATTY,
M. C. PATTON,
JOHN PATTON,

Sworn and subscribed before me, the 5th June, 1823.

JOHN BAUGH, J. P.

The above depositions were all taken and subscribed in my presence, June 5, 1823.

MATTHEW B. LOWRIE.

Dr.

Cash, in account with *W. L. D. Ewing*, receiver of public moneys, at *Vandalia, Illinois*.

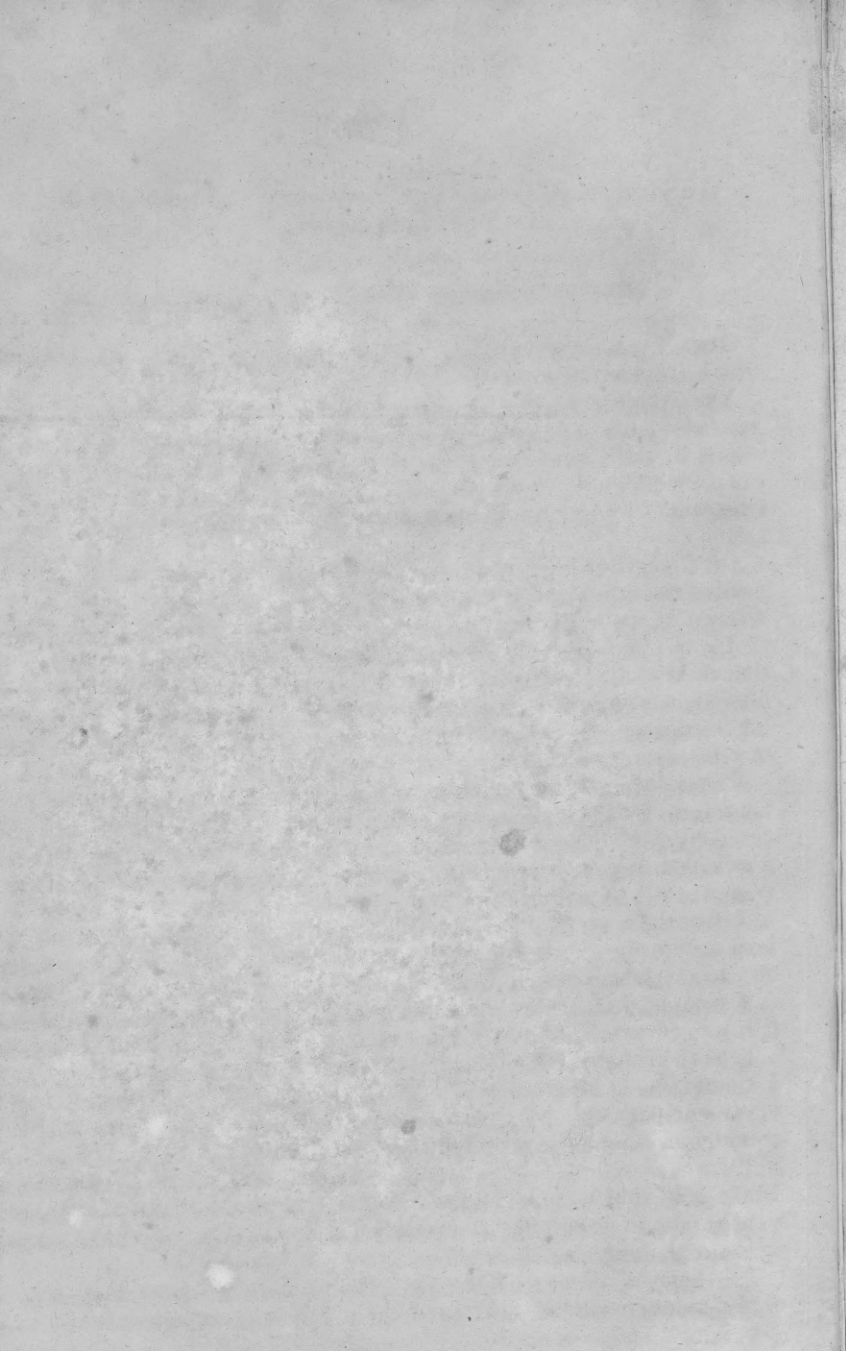
Cr.

		Name of Purchaser.	Dolls.	Cts.			Dolls.	Cts.
1822, December 31	To old account,	-	809	23	1823, March 31	By incidental expenses	268	50
1823, January 14	sales of public lands as follows	Gideon Brickmaster	100	00	" " "	commission account	17	77
" " 14	Same	Same	100	00	" " "	new account	1,022	96
" " 16	Same	William Taylor	100	00				
" " 17	Same	Samuel Huff	100	00				
" February 12	Same	John Bundy	100	00				
			1,309	23			1,309	23

Receiver's Office at Vandalia, 31st March, 1823.

WM. LEE D. EWING,

Receiver.



No. 9.

Receiver's Office at Vandalia, Aug. 29th, 1823.

SIR: Your letter, of date August 4th, was received this morning, which I hasten to answer.

You desire to know, why an account of the postmaster at this place was not paid. I answer, for the reason that appears to have been stated by the postmaster himself, "The want of funds;" and yet, I reported \$992 71 on hand, on the 30th of June last. This is all true, and I undertake to account for this apparent inconsistency in this way.

On the 26th March last, the State Bank of Illinois, in which I deposited the funds of the United States for *safe-keeping*, was *robbed* of a large amount of specie; and among the rest, \$1000 dollars, (money of the United States,) deposited there by me, for the purpose mentioned, was also robbed; which fact I communicated to the honorable Mr. Crawford, in a few days after the disaster, accompanied by all the documents and evidence, necessary to satisfy him of the truth of the fact, and acquit me of any blame in the matter.

These documents and evidence, I hope, are in the possession of the Secretary of the Treasury. Further evidence of the robbery was procured by Mr. Lowrie, Examiner of the Land Offices, when here, and forwarded to your department at the time that he transmitted the report of his examination of my office.

From the time of the robbery to the present date, one hundred dollars only have been received in this office, the whole of which I paid out, to the late Register, Thomas Cox, for balance of salary due.

I continued to report the amount *lost*, as being on hand, (deeming it my duty to do so,) until I could learn whether or not I should be held responsible for the deficiency occasioned by the robbery; and if I should, as is altogether probable, I hope the liberality of the Government will only require, that the deficiency be made out of my commission and salary, as they become due.

I am assured, by our representative in Congress, the honorable Mr. Cook, that he entertains no doubt of the success of an application by me, to Congress, for relief; and he is accordingly prepared to make the application for me.

I do hope, that the Government will not draw upon me for any part of the sum reported as lost, until the result of an application to Congress can be ascertained.

And if that question should be settled against me, I shall hold myself in readiness to meet any call of the Government.

In order that you may be the better satisfied of the truth of my statements, I beg leave to refer you to the documents above referred to, and to the enclosed certificates of E. C. Berry, Auditor of State,

R. K. McLaughlin, late Treasurer, and James M. Duncan, acting President (at the time of the robbery) of the Bank.

I have the honor to be, Sir,

Your obedient servant,

WM. LEE D. EWING.

The Hon. GEORGE GRAHAM.

I beg that you will do me the honor to have forwarded to me a copy of the postmaster's letter to you, and greatly oblige me.

No. 10.

STATE OF ILLINOIS, VANDALIA, *August 28, 1823.*

SIR: As President of the State Bank of Illinois, I had frequent occasion to attend to the affairs of the institution: and, some time previous to my leaving Vandalia for Kentucky, (9th of March last,) I was informed, by the then Cashier of said Bank, that the Receiver of Public Moneys at this place, Col. Ewing, had deposited some money in the Bank for safe keeping, but I do not recollect that the particular sum was mentioned; but I think it was upwards of \$800.

I did not return from Kentucky until the last of April, during which time the State Bank was robbed. Upon an examination of the affairs of the institution, it was found, that the sum of \$3,200 had been taken from the School Fund and individual deposits; and the Receiver, who was then an acting director in the Bank, states the loss of the United States' money to be \$1000.

It cannot be supposed that the Receiver has been faithless in his duty as a public officer; or, that the slightest suspicion can attach to him for the loss of the United States' money; as, it might have been rationally supposed that the Bank was the safest place in which the money could have been deposited.

The particulars of his loss, I am informed, has been forwarded to the proper Department soon after it occurred, (during my absence) which, I hope, will be found a satisfactory explanation of this loss.

Should the Government require that the Receiver make good this loss, it is certainly but just that he be allowed time to meet such an unexpected, and to him, a serious loss.

Your's obediently,

E. C. BERRY.

GEORGE GRAHAM, Esq.

Commissioner of the General Land Office.

No. 11.

VANDALIA, *August 29th, 1823.*

SIR: On the evening of the 26th of March last, the State Bank of Illinois was robbed, in which Col. Wm. Lee D. Ewing, Receiver of Public Moneys at this place, deposited the United States' funds for safe keeping.

The robbery, together with all the circumstances attending it, have been reported to the Hon. William H. Crawford, as taken by the Receiver himself, and M. B. Lowrie, Esq. examiner of the Land Office.

Col. Ewing, agreeable to the usages and rules of the Treasury, may be accountable for the amount of public money robbed from the Bank; but, taking all things into consideration, I am clearly of opinion, that the leniency of the Government should be so far extended to him, at least, as to let the deficiency be liquidated by his salary and commission, as they become due: for I do assure you no blame can attach to him as an officer of the Government.

R. K. McLAUGHLIN,
Late Treasurer of Illinois.

The Hon. GEORGE GRAHAM.

No. 12.

VANDALIA, *Illinois, August 28th, 1823.*

SIR: At the time the State Bank of Illinois was robbed, (26th March) I was one of the Directors of that Bank, and the acting President thereof. It was my immediate duty to attend to the concerns of that institution, and, on examining the loss sustained by the Bank, it appeared that a special deposit (for safe keeping) of some where about one thousand dollars, made by Wm. Lee D. Ewing, Receiver of Public Moneys at this place, was part of the money stolen. I have no hesitation in giving it as my opinion that no blame can attach to Col. Ewing in this affair, as the Bank was certainly considered the safest place in town for keeping money.

I am, sir, your obedient servant, &c.

JAS. M. DUNCAN.

Hon. GEO. GRAHAM,

Commissioner General Land Office.